

# **FEDERAL MILK ORDER ADVANCE PRICES, MAY**

**Class I Base Price.** Under the Federal milk order pricing system, the Class I base price for May 2006 is \$10.97 per cwt. This price is derived from the advanced Class III skim milk pricing factor of \$6.90 and the advanced butterfat pricing factor of \$1.2331. A Class I differential for each order's principal pricing point (county) is added to the base price to determine the Class I price. **Comparison to Previous Month.** Compared to April 2006, the Class I base price decreased \$0.25 per cwt. For selected consumer products, the price changes are: whole milk (3.25% milk fat), - \$0.24 per cwt., -\$0.21 per gallon; reduced fat milk (2%), - \$0.19 per cwt., - \$0.016 per gallon; fat-free (skim milk), -\$0.14 per cwt., -\$0.012 per gallon. **Class II Price Information.** The advanced Class IV skim milk pricing factor is \$6.24. Thus, the Class II skim milk price for May is \$6.94 per cwt., and the Class II nonfat solids price is \$0.7711. **Product Price Averages.** The two-week product price averages for May are: butter \$1.1426, nonfat dry milk \$0.8400, cheese \$1.1698, and dry whey \$0.3056.

FEDERAL MILK ORDER CLASS I PRICE INFORMATION <sup>1/</sup> <sup>2/</sup>				
Federal Milk Order Marketing Area <sup>3/</sup>	Order Number	May 2006		
		Class I Price (3.5 %)	Class I Skim Milk Price	Class I Butterfat Price
		\$ per cwt.	\$ per cwt.	\$ per pound
Northeast (Boston) <sup>4/</sup>	001	14.22	10.15	1.2656
Appalachian (Charlotte) <sup>5/</sup>	005	14.07	10.00	1.2641
Southeast (Atlanta) <sup>6/</sup>	007	14.07	10.00	1.2641
Florida (Tampa) <sup>7/</sup>	006	14.97	10.90	1.2731
Midwest (Cleveland) <sup>8/</sup>	033	12.97	8.90	1.2531
Upper Midwest (Chicago) <sup>9/</sup>	030	12.77	8.70	1.2511
Central (Kansas City) <sup>10/</sup>	032	12.97	8.90	1.2531
Southwest (Dallas) <sup>11/</sup>	126	13.97	9.90	1.2631
Arizona (Phoenix) <sup>12/</sup>	131	13.32	9.25	1.2566
Pacific Northwest (Seattle) <sup>13/</sup>	124	12.87	8.80	1.2521
All-Market Average		13.62	9.55	1.2596

<sup>1/</sup> To convert the Class I price per 100 pounds to the Class I price per gallon, divide by 11.63--the approximate number of gallons in 100 pounds of milk. <sup>2/</sup> Note: The mandatory \$0.20 per cwt. processor assessment under the Fluid Milk Promotion Order is not included in the Class I prices shown on this table. <sup>3/</sup> Names in parentheses are the major city in the principal pricing point of the markets. <sup>4/</sup> Class I prices at other cities are: New York City, minus \$0.10; Philadelphia, minus \$0.20; Baltimore, minus \$0.25, and Washington, DC, minus \$0.25. <sup>5/</sup> Class I prices at other cities are: Knoxville, minus \$0.30 and Louisville, minus \$0.90. <sup>6/</sup> Class I prices at other cities are: New Orleans; plus \$0.50; Memphis, minus \$0.30; Nashville, minus \$0.50; and Springfield, Mo., minus \$0.90. <sup>7/</sup> Class I prices at other cities are: Orlando, same; Miami, plus \$0.30; and Jacksonville, minus \$0.30. <sup>8/</sup> Class I prices at other cities are: Indianapolis, same; Cincinnati, plus \$0.20; Pittsburgh, plus \$0.10; and Detroit, minus \$0.20. <sup>9/</sup> Class I prices at other cities are: Milwaukee, minus \$0.05; and Minneapolis, minus \$0.10. <sup>10/</sup> Class I prices at other cities are: Des Moines, minus \$0.20; Omaha, minus \$0.15; Oklahoma City, plus \$0.60; St. Louis, same; and Denver plus \$0.55. <sup>11/</sup> Class I prices at other cities are: Houston, plus \$0.60; San Antonio, plus \$0.45; Albuquerque, minus \$0.65; and El Paso, minus \$0.75. <sup>12/</sup> Effective May 1, 2006, the name of the Federal milk order has changed. Clark County, Nevada, which includes Las Vegas, has been removed from the marketing area. <sup>13/</sup> Class I prices at other cities are: Portland, same; and Spokane, same.